come up and talk neutralizer as it did for me to come down thirteen years ago in the state of Wisconsin at your annual convention and advocate the churning of sweet cream. I had some high scores in Minnesota on butter made from sweet cream. I had sent sweet cream into the Chicago market and for nearly a year previous to that time I hadn’t turned out a churning of cream in the creamery which I operated which was not made from sweet cream. Mr. Moore was secretary of that association at that time and he invited me down to tell the butter makers about sweet cream churning and I got a red hot reception. I believe every creamery inspector and instructor in the state of Wisconsin was opposed to me. I am simply bringing this up to show you how times have changed. In this paper I have tried to bring one point out, the farmers’ end of it, and we have got to consider his part of it.

THE ECONOMIC END OF THE NEUTRALIZATION OF CREAM

H. J. CREDICOTT, Freeport, Ill.

The word “economic” is generally used in reference to the principles of successful business.

The three eminent gentlemen preceding me on this program have discussed the question of neutralizer, from the standpoint of the idealist with his rosy dreams, and of the scientist with his cold logic.

I will try to discuss it from the standpoint of successful prosecution of the dairy business. I count a business successful which proves profitable to those engaged in it and which is of benefit and renders a service to the State and Nation.

That the dairy business is rendering a distinct service to the State and Nation through soil conservation and the production of the most important of all foods is too well known and recognized to need any discussion.

That the dairy business is always profitable to those engaged in it is a mooted question.

The profit of a business depend to a great extent on the amount of labor involved.

It is this question of labor which has caused the use of neutralizers in cream.
To illustrate this point let us go back to the day of the whole milk creamery where the producer hauled his milk to the creamery and waited while it was separated so he could haul the skim milk back to the farm.

There never was a system better than this for the production of high grade butter, but it had to give way to the hand separator system where the producer separates his milk at home, having the skim milk to feed to his calves and pigs, while it is fresh and warm and having only a small amount of cream to haul to market instead of the large load of milk.

The idealist (and we were many) said to him: "We can not make as fine butter from your hand separator cream and if you insist on bringing this stuff to us you will not only destroy the reputation of our creamery and of our State, for the production of fine butter, but it will cause us to receive less for our butter and you will be the loser."

Gentlemen, I was one of those men who opposed the hand separator and I have said many times as I have watched the evolution of this business,—I was a Minnesota butter maker at that time,—that we set the creamery business back quite a num-
ber of years in its development by its opposition because we held that thing down to a whole milk proposition.

This and many other arguments with less foundation of fact did we use, with the producer and at times we were able to confuse him and halt, for a time, the introduction of the hand separator, but the farmer is a better economist than he is given credit for.

He considered the labor and waste of time involved in cooling and caring for the larger bulk of milk and hauling it to the factory, waiting while it was separated, hauling the skim milk home and last but not least heating this skim milk to a proper temperature to feed his calves.

His answer was a stubborn insistence on buying and using a hand separator.

He did not believe the loss of quality and value, would be sufficient to warrant the extra labor of the old system and time has proven him right. You are probably wondering what this ancient history has to do with neutralizer.

Let us remember that it was a question of labor, which brought about this evolution in the business and as we follow up our history we shall see the connection.

The farmer after adopting the hand separator soon woke up to the fact that it was quite possible for the creamery to receive his cream in a sour condition and make butter out of it.

This opened up new possibilities in the saving of labor and he refused to deliver his cream daily as he had done in the past and turned a deaf ear to our frantic pleadings that this was the last step in the demoralization of the dairy and creamery business.

This new departure made it possible for many thousands of farmers to engage in the dairy business, who were located too far from a market or were too short of help to engage in it under the old system and this brought about a great development in the dairy business.

The creameries were presented with a new and serious problem. The farmer would take no heed of our protests and seemed content to accept a lower price if need be, rather than put in the extra labor necessary to the delivery of sweet cream.

Competitive conditions as well as our duty to the producer and the consumer to make the best grade of butter possible lead us to experiment and change our methods of manufacture to meet the new conditions.
We found that pasteurization improved the flavor and keeping quality of our butter as well as having the further advantage of making it a safe food from a bacteriological standpoint.

We found however that there were difficulties in the way of pasteurizing cream which was much above four tenths of one percent acidity. It would curdle when heated. The butter was inclined to be mealy and crumbly in texture and the loss of fat in the butter milk was excessive.

It was found that by neutralizing the acidity with some harmless agent such as lime or bicarbonate of soda it was possible to get satisfactory results and thus we made another great step in the economical production and manufacture of butter.

This step was forced upon us by the pressure of economic necessity.

It is upon the farmer that the labor and expense of delivering sweet cream falls and only the farmer making dairying his business can afford it. The farmer who milks from three to eight cows will receive too little for the extra labor and will quit the business if we try to force him to it.

As the greater part of the cream used for butter making is produced by this kind of farmer it is plain that we must be prepared to handle the kind of cream he produces, and make the best possible grade of butter from it or we shall be woefully short of butter in a short time.

It is going to be the farmer who will decide the neutralizer question for us and it will be decided on an economic basis just as the hand separator question was decided.

Gentlemen, that is the point that I want to make and is the only point that I care to make in connection with this discussion, is that the farmer is the man who is going to decide this thing. If the creameries that are taking in sweet cream can get higher prices to pay that farmer more, then that farmer will produce sweet cream. You have had an example in the creameries, this summer in the churning and the production of sweet cream for the navy. Part of that, gentlemen, was a patriotic proposition. The government went to them and said we must have that butter for our navy and they naturally wanted to help and produced it. At the same time they were paid an extra price for it. But my experience is that it takes a pretty large premium to get the farmer to produce that kind of cream. When the public is willing to pay for this kind of butter then the farmer is going to produce it.
I have not made mention of the farmer who lives so far from his market that it is practically impossible for him to deliver sweet cream, even if he so desired, for such a farmer is usually a patron of a Centralizing Creamery and the opponents of neutralizer would seize this chance to bring up the old fight between the two systems of butter making.

While that question has no interest particularly for Wisconsin it does have a vital interest for a large part of the United States. Did you ever stop to think, gentlemen, that most of the state of Illinois, Indiana, parts of Iowa, Kansas, Nebraska, Oklahoma and all of the south, Tennessee and Oklahoma, have these small dairymen who are located a long ways from a plant? There is hardly any community in this territory that has enough cream to support a decent local creamery. It is absolutely impossible for these men to get this cream to the creamery in a sweet condition, and if you stop the use of neutralizer these men are absolutely deprived of the market. They are shipping their stuff to some central plant. If you shut down on the centralizing plant so they can’t handle it successfully, then you are depriving them of their market.

I believe the neutralizer question is a broad one and should not be confused by arguments between rival systems.

A very big percentage of local creameries would make better butter and render better service to their patrons if they would properly neutralize and pasteurize their cream.

The use of neutralizing agents in the preparation of food products is not confined to the manufacture of butter.

The manufacturer of condensed milk has found that a little neutralizer will reduce the acidity of his milk and make possible the condensing of a batch of milk which would otherwise have to be run in the sewer.

Cocoa nut oil which is the main ingredient of vegetable oleomargarines is pressed from copra, which is the trade name of the dried meat of the cocoanut.

These nuts are dried under the hot tropical sun and brought to this country in the holds of ships and by the time it is crushed and pressed the oil is in a more or less rancid state and contains large amounts of fatty acids.

It is not palatable for human consumption in this condition so a neutralizing process is used to get rid of the fatty acids.

A caustic is added which unites with the fatty acids in the form of soap and settles to the bottom of the vat.
If some of our friends who oppose the use of neutralizer in cream are sincere then let them also wage war upon the use of neutralizing process in one of the strong competitors of butter.

I have tried to outline very briefly my opinion of the fundamental economic reason for neutralizer and have made no attempt to treat it from any other viewpoint for I firmly believe that if the actual operation and the burden of success or failure of a creamery business which received its cream from small dairymen, was placed on the shoulders of some of the gentlemen who condemn neutralizer you would find them using a neutralizer shortly after the hot weather commenced.

DISCUSSION.

Mr. Sorensen: I want to ask Mr. Credicott a question; we agree pretty much, I am wondering what we are quarreling about, if we are quarreling. I am not trying to convince any one that we should condemn neutralizer. I want to ask Mr. Credicott if he don’t think it would be fair to the men who produce good cream, the men who manufacture good butter, to the consumer who should know what he buys and have a right to know what he buys, if he don’t think it would be fair to label this butter made from this good pure cream.

Mr. Credicott: I was asked that same question before a hearing of the Standards Committee in Chicago a few weeks ago. At the time I was acting as spokesman for many of the Allied Creamery Associations who had been discussing the matter of butter fat standard for butter, I replied that I would answer in my individual capacity, my own opinion in regard to that matter, that I didn’t want to go on record as voicing the opinions of the other members of the Allied Creamery Association for that matter had not been under discussion by them, consequently I was not authorized to answer for them. But individually as a man who neutralized a portion of his make of butter I had no particular objection to it except the only thing that from a long experience with the butter markets of the country I failed to see how such a thing could be logically followed out. I made the statement that I didn’t believe that it was fair to classify butter according to the process of manufacture, but if you are going to so classify it that it opened up an endless amount of trouble. I could see where every butter dealer in the United States would be put in a position where he would have to have different car-
tons for his butter, one labeled "sweet-cream butter," perhaps, or "old-cream butter," and another one labeled "neutralized butter."" Now, I as a manufacturer of butter in Illinois, am only marketing in a jobbing way a small portion of my butter, the larger part of it is sold in carload lots to wholesale dealers. That butter is bought by men all over the country who want to put that butter perhaps into a brand of their own. Many of these eastern dealers have their own brands which they have used for years. They buy butter from any source where they can get satisfactory goods and put it under their brand and sell it. Now that man unless he was to cut out absolutely the butter on one side of the fence and stick only to that on the other side of the fence would have to have cartons with two distinct labels on them. Can't you see what an endless ramification this matter would run into. Now my personal opinion of the matter is this, the public knows and cares nothing about the manufacturing process under which the butter is made as long as that butter is of a satisfactory quality when it gets on the table. You can tack on all the wording and descriptive matter you want to, as long as that butter is satisfactory to the public they are going to buy it.

The point is this that the centralized butter is clearing a place for itself in the markets of this country, I don't care whether you brand it neutralized or not, that butter is going to sell just the same. The only thing is you are going to make a lot of trouble by branding it to those who handle it and those who use it.

I went to the Chicago market a number of years ago as butter inspector for the Department of Agriculture. It was my privilege there to inspect butter from pretty nearly every state in the Union that ships into Chicago. During the four years I was butter inspector I was sent nearly every year to the eastern markets to check up on the methods they were using and make a report to the division so that I had a chance to observe the branding of the butter business in all of the large centers which handled butter in this country outside of the Pacific coast. At the time I went into the market it was before the centralizers commenced using neutralizers, the butter was not very good and there was a general protest against it. But as time went on and the neutralizers were used to bring about a uniform grade of butter, that condition changed.

Mr. Glover: I want to say to those who favor good butter and I am with them, that the consumer can have just as good
butter as he wants if he is willing to pay the price for it. The trouble with the consumer is that he wants to buy this extra fine butter for a very low cost. He doesn’t want to pay any more for it than the butter that has to be neutralized. The farmer who takes good care of his cream and brings it sweet and wholesome and in fine shape for making this high grade of butter has not been recognized. And if you are getting poor cream today from the farmer it is because you have not been willing to meet the service and pay for it. Now when these people produce a fancy grade of butter they are asking no more than right to protect it. The creamery that is treating this cream with neutralizer, it should be marked with neutralizer. That is fair treatment. Now we are going to have good butter when the cooperative creameries and local creameries get their heads together. We are going to cooperate, we are not going to pull apart. We are going in the cities and find out where we can get a market to take the butter. And that butter is going to be advertised in the cities so that every person, every man, woman and child that wants a strictly fancy butter can go and buy it, but at the same time they will have to pay the price that it costs to produce it.

Mr. Colwell: I also used to think that if you paid enough more for cream you would get the farmer to deliver good sweet cream but I have to change my views about it. It doesn’t always work out. I have a large creamery down there. There are two creameries, I don’t fight with them or quarrel with them but they are buying some cream; they probably get enough cream to make fifteen hundred pounds of butter a week. I demanded that all my cream be delivered twice a week in the winter time, they have cream delivered once a week. Now the average difference in price for the past ten weeks was twelve cents, I have gone to some of those farmers and asked them why don’t you bring me my cream, and they said they couldn’t afford to come down, I said, isn’t twelve cents a pound enough, and they said, no, it isn’t. I am not going to deliver my cream twice a week for that difference.

Mr. Credicott: Just another proof of the economic side of that. While making butter we manufactured ice cream. We started in buying sweet cream from the farmer for our ice cream department. We found that ten to twelve cents a pound more for cream delivered sweet to the factory wouldn’t get us a supply of sweet cream. It was one of the things that opened my eyes to the economic side of the question. I got the same answer
that this gentleman, that the difference of ten or twelve cents wasn’t enough to cover the labor to deliver that cream.

I want to tell you of a little thing that happened to me a few weeks ago, it was on a business trip, in the first part of December, I was in Washington, D. C., I had an hour’s time or two to kill and I drifted into the big market place, there on Pennsylvania Avenue where the groceries and the meat markets flourish, and the creameries and everything are fixed up in nice shape. William Oyster who was one of the large market dealers in Washington had a stand in that market and I got in conversation with the fellow that was running the stand. Customers kept coming in and they would say, give me a pound of butter, and he would ask, which kind of butter do you want, sixty, seventy or seventy-eight cents a pound. I think there were five customers that came up in an hour and all took the seventy-eight cents per pound butter; they wanted the best butter they could buy. I asked the man in charge finally what butter is this that you are asking sixty, seventy and seventy-eight cents for?

Well, he says, this seventy-eight cent butter is the Hudson Produce Company of Hudson, Minnesota. We buy it on the basis of the New York quotations. In selling it at seventy-eight cents today we are selling it for less than the Food Administration allows. The sixty cent is also Hudson storage butter made in June last year. We have had it in storage; the government regulates our profit and consequently we have to sell it for sixty cents a pound. Well, I said, would you just as soon let me see a sample of this butter and he got out a print of the seventy-eight and sixty cent. From long experience in the market I am familiar with the cold storage flavor, the average consumer wouldn’t know it and so far as I was concerned I wouldn’t give one cent difference but the public decided because that butter was sold for sixty cents to take the seventy-eight cent butter. The public will pay it. There were two butters that didn’t have more than one cent difference in value and yet there was eighteen cents difference.

Mr. Bouska: It appears that the present market is inflated with a much larger quantity of poor butter than usual. It is unfortunate that we can’t get statistics on the quality of butter that has been offered to the customer like we can on the volume. You men here clap when you are told how good your butter is and you think you are winning the battle. You make your but-
Here, it goes to Chicago and New York and it is lost there just like you are when you go there, hardly anyone will notice you. We don’t get it in Chicago where I live as Wisconsin butter. The butter that is sold there, your poorest Wisconsin butter, may be bought and it is sold in some attractive name in these stores in Chicago that make a specialty of gathering it. People of small means advertise in the big dailies and you ought to look them over, butter at forty cents a pound. I bought a pound a few days ago, I wonder how they can offer butter at the figure that sometimes is lower than any quotations that I see on the market. That is some of your butter. It is attractive butter. They advertise it as Elgin Clover Leaf Creamery butter or any other attractive name. If it were labeled, as you say, they could say Fancy Neutralized Creamery butter. You could call it the Peerless Brand; they do, you can’t prevent them from doing that and you still have to rely upon the consumer’s judgment and appreciation. Now if your butter is as good as you say it is and sells as well as you say it sells you don’t need to pay any attention to these men who make mistakes and make the wrong kind of butter, he is going to come to the end of his rope. If you feel that down in your heart you wouldn’t be doing this, you are afraid he is going to run a pretty good race but the only way that this thing can be won is on the actual intrinsic quality of the butter. That is the way to win and I appreciate the good butter. I think that is the finest thing to do in making butter but we are influenced and infested by ideals more than any other industry that I know of. We have created this ideal that the consumer cannot be happy unless he is getting the uttermost limit of quality regardless of everything else. Now how many consumers are there in the United States that get the uttermost of quality in everything else? How many people are there here in this room that get the uttermost of quality regardless of price and regardless of everything else? How many are there who drive Super Sixes and get the best of clothing and live in the best of houses? There is no reason why it should not be as good as the very best. There is a way of grading wheat, there is a No. 1 and a No. 2 wheat and the purchasers in the country get a difference in price. And the same with your bread, none of you know whether it was made of No. 1 or No. 2 wheat, none of us in Chicago know. It is a condition that affects the purchaser and the same way with these other things. It
is very difficult to go to the consumer and tell him he doesn’t know what he ought to be buying.

MR. SORENSON: I was interested in one statement that was made by Mr. Bouska. He said in all his travels all over the United States he had never tasted fancy butter, is that correct?

MR. BOUSKA: At these public eating places, Mr. Sorenson, if there is such a large quantity of this fine butter who is it that eats it? We don’t get it at these eating places where they charge us the limit of prices, one, two, three and five dollars for a meal; you can spend five dollars on a meal in Chicago.

MR. SORENSON: I take it from what you said, you being connected with centralizing, you don’t make this fancy butter?

MR. BOUSKA: No, we don’t. We make about a ninety point butter and we don’t sell it for ninety-six point butter.

MR. LEE: Do you think it is unfair to put the word “fancy” on it, on a ninety point butter?

MR. BOUSKA: I am not defending what an individual centralizer might have done at some time, Mr. Lee, they are just like other people and some do things they ought not to do. I am not defending if he did, that he will naturally sell his goods under some kind of a name, if not “fancy.” It is done with your own butter here. You buy your other things they are all the same, many things which have different grades and they are all under an attractive trade name. You really have to be a judge of some of these things to know. In the suburb where I live the grocer doesn’t handle centralized butter, he handles different brands. One of them is a well-known Chicago firm. They more than any other that I know of cater to the fancy butter or whole milk butter and the butter is not uniform. In fact all the butter we get there is a regular vaudeville, sometimes it is very fine it will jump so high that you really admire it and I would feel proud to have you eat with me and taste some of this butter and sometimes I would be ashamed of this butter that comes out under this good brand, it is so irregular.

I know of no place in Chicago that sells a special brand of fancy butter. The consumption of these special butters at higher than current prices is limited to a few special consumers and I do not want you to be encouraged beyond possibilities into thinking that unlimited quantities of this fine butter can be made. There is not as much being made as there should be and God’s speed to you men who are trying to make it.
MR. MORRISON: I think this question of neutralizer has been pretty well threshed out this afternoon. Before I forget it I want to bring up the question of the letter from the Secretary of the Northern Wisconsin State Fair that was read before dinner. What will you do with his request as to the appointment of a man to take charge of the Dairy Department at the Fair there next Fall.

C. J. DODGE: I think it a very important matter and perhaps at this time we have not given it enough thought so that we would select the proper man and I would suggest that you appoint a committee of three good substantial judges of butter to suggest who this man shall be. I make that a motion.

PRESIDENT MORRISON: Motion made, seconded and passed unanimously that the Chair appoint a committee of three to take under consideration the appointment of a man to take charge of the Dairy Department at the Wisconsin State Fair at Chippewa Falls this coming September.

PRESIDENT MORRISON: I will appoint as that committee the Executive Committee of the Wisconsin Association and they to act in conjunction with the secretary in that. I believe Mr. Dodge is the chairman of that Executive Committee.

MR. MORRISON: Anything further. If not a motion to adjourn will be in order.

MR. GRIFFIN: I move that we adjourn.

Motion made, seconded and passed unanimously that we adjourn sine die.